

STATE OF NEW HAMPSHIRE

DEPARTMENT OF STATE

IN THE MATTER OF:)
)
)
Local Government Center, Inc.;)
Local Government Center Real Estate, Inc.;)
Local Government Center Health Trust, LLC;)
Local Government Center Property-Liability Trust,)
LLC;)
Health Trust, Inc.;)
New Hampshire Municipal Association Property-Liability) Case No.: 2011000036
Trust, Inc.:)
LGC – HT, LLC)
Local Government Center Workers’ Compensation)
Trust, LLC;)
And the following individuals:)
Maura Carroll; Keith R. Burke; Stephen A. Moltenbrey;)
Paul G. Beecher; Robert A. Berry; Roderick MacDonald;)
Peter J. Curro; April D. Whittaker; Timothy J. Ruehr;)
Julia A. Griffin; Paula Adriance; John P. Bohenko; and)
John Andrews)
)
RESPONDENTS)

ORDER DENYING MOTION TO STAY

1. On August 16, 2012 a final order was issued by the undersigned presiding hearing officer in the above captioned matter.

2. On September 14, 2012 the Respondents Local Government Center, Inc. and affiliated entities (“LGC”) filed a motion to stay its obligations as contained within that final order, and in which the LGC represents that the Bureau of Securities Regulation opposes said motion.

3. On September 14, 2012 the Petitioner Bureau of Securities Regulation (“BSR”) filed a report relating to Paragraph #8 of the final order wherein the parties were ordered to confer and submit a report

describing the plan by which the LGC would return the excess funds to the political subdivisions in the appropriate amounts. This report indicates that the LGC adopts the position that it does not have to comply with the terms of the final order issued in this matter, alleging that it does not consider the order “final” notwithstanding RSA 541:18.

4. The undersigned presiding officer reviewed the contents of the final decision issued on August 16, 2012, and in particular, the orders presented therein.

5. The undersigned presiding officer reviewed the contents of the LGC motion to stay the implementation of the final order issued on August 16, 2012 which was expressly intended to alter the manner by which the LGC entities conduct themselves, and does not find sufficient evidence of irreparable harm in the return to a pre-existing organizational structure, particularly when the separate stand alone corporations necessary to house the ordered separation of the pooled risk management programs have already been revived at the direction of the LGC and are alleged by the LGC to be corporations in good standing; and when ninety days were allowed for transfers to be accomplished and good faith planning with the BSR to be undertaken; and when the distribution of the amount of funds ordered to be returned to the political subdivisions has been reasonably determined to be in excess of an amount permitted by RSA 5-B; and when the actual return of funds under the final order allows the LGC up to 12 to 15 months to distribute said funds. Further, as to the return of funds, in the event of any reversal of any relevant provision of the final order may simply be returned as fungible contributions by the recipient political subdivision members.

The motion to stay is therefore denied.

So Ordered this 24th day of September, 2012



Donald E. Mitchell, Esq.
Presiding Officer

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